



GUIDE TO ELECTRIC BICYCLE PURCHASE INCENTIVE PROGRAMS

City and business executive leaders are establishing electric bicycle purchase incentive programs to catalyze the adoption of electric bicycles in their community. These programs can consist of a variety of models and funding mechanisms. This document outlines the basic steps to establish an incentive program and the variety of program structures in existence.

STEPS TO ESTABLISH AN ELECTRIC BICYCLE PURCHASE INCENTIVE PROGRAM

→ Identify program structure, stakeholders and funding availability

Develop strong partnerships and a structure that satisfies a community's needs. Understanding which program structure would work best for your agency or business will help determine the necessary funding sources and the types of partnerships needed. Page two of this guide outlines different structures.

→ Outline stakeholder benefits

Outline the various benefits for your agency, business and/or community, in order to garner support, refine the goals, and ease implementation. Possible benefits include:

- **Business:** Programs can lead to an increased interest in electric bicycles, which may result in a new customer base for local bike shops.
- **Environment:** Programs demonstrate a business or agency's commitment to fostering sustainable transportation alternatives. Electric bicycle use can make a real impact in lowering a community's greenhouse gas emissions within its transportation sector by replacing vehicle miles traveled and reducing carbon emissions.
- **Social:** Electric bicycles are cheaper to own and manage than a car. Programs that are specifically designed for low-income and disadvantaged households support equitable transportation systems and workforces, as they bridge the gap for communities who are traditionally excluded from the early adoption of new technologies. These programs can help make strides toward diversity, equity and inclusion goals.

→ Set metrics to analyze program results

Understanding the participation and larger financial, environmental or societal benefits of an electric bicycle purchase incentive program is key to defining its success. Outline what success would mean for your agency or business and develop metrics to measure the program.

→ Present the program proposal to the appropriate stakeholders

Some incentive programs may require a regulatory or legislative change before they can be established, while others may implicate local businesses or other stakeholders. Work with your internal and external partners to understand how an electric bicycle purchase incentive program could work and adjust the program details, timeline and strategies as necessary.

→ Create clear and engaging marketing materials

Incentive programs must have an engaging and detailed marketing plan to foster public participation. Make the program and its details known on websites and social media. Consider supplying educational materials on how to choose and maintain an electric bicycle in English, Spanish and other languages spoken in your community.

PROGRAM STRUCTURES

#1: Partial Purchase Subsidies

Popular in both the public and private sectors, participants receive a rebate funded by the program organizer, which can then be used at a participating bike retailer. Some programs offer additional subsidies for low-income households.

Example: Green Mountain Power's Electric Bicycle Rebate Program/Vermont

In 2020, Green Mountain Power (GMP) offered its customers a \$300 rebate for the purchase of an electric bicycle. To receive the rebate, GMP customers provided a participating bike retailer with their GMP account information and their energy statement. Bike retailers supplied that information back to GMP, who then provided their customers with the rebate.

600 GMP customers benefited from the rebate, GMP saw an increase in energy usage due to charging, and participating bike retailers connected with new customers who may have not otherwise purchased an electric bicycle.

#2: Vendor-Funded Discounts

Some programs offer a discount on electric bicycles at the point of purchase and are funded exclusively by preferred retailers.

Example: Discount Electric Car and Bike Purchase Program/Boulder, Colorado

In 2016, Boulder County's Sustainability Office collaborated with bike retailers to supply a 15% discount on electric bicycles for Boulder residents.

280 Boulder County residents benefited from the discount, Boulder County demonstrated their commitment to sustainability, and participating bike retailers connected with new customers who may have not otherwise purchased an electric bicycle.

#3: Employer-Sponsored Programs

Employer-sponsored programs incentivize electric bicycle use among employees for both daily work duties and commuting.

Example: Municipal Electric Cargo Bicycle Pilot Program/Madison, Wisconsin

In 2020, the City of Madison partnered with Saris Infrastructure to launch a four-month pilot program to test the use of electric cargo bicycles in different city departments. City staff tracked miles ridden and answered a survey about their experience using the bicycle while on the job.

The city tested a new tool for daily staff duties through a free and low-risk program, and Saris was able to market and test the use of their product in a work environment.

#4: Credit Union-Sponsored Loans

Loan-based programs allow participants to bridge the financial gap to owning an electric bicycle.

Example: Vermont State Employees Credit Union VGreen Low-Interest Loan/Vermont

Since 2015, Vermont State Employees Credit Union (VSECU) has offered its members a VGreen low-interest loan, which consists of longer terms, discounted rates, and flexibility in financing for the purchase of an environmentally beneficial product such as an electric bicycle.

VSECU gained new members from individuals who were looking to benefit from their commitment to the environment and new members received the financial assistance they needed to purchase an environmentally friendly product.

#5: Government-Sponsored Programs for Low-Income Communities

Government-backed programs that are specifically designed to support low-income communities play a critical role in the equitable adoption of electric bicycles. As a car replacement, electric bicycles represent a financially manageable transportation alternative for low-income households when complemented with an incentive-based program.

Example: Clean Cars For All Program (CC4A)/California

Since 2020, CC4A has invited low-income residents living in participating air quality districts to apply for a voucher to receive up to \$7,500 toward the purchase of an electric bicycle or the use of a bikeshare program in exchange for their gas-powered vehicle. This program is funded by the state's greenhouse gas reduction fund, which was created to reduce overall greenhouse gas emissions from the state's transportation sector.

The state is able to work towards its sustainability goals and support low-income residents who may be unable to otherwise afford the purchase of an electric bicycle.

Electric bicycles can make a positive change in connecting communities, boosting state and local economies, strengthening our nation, and protecting our planet.

If you are interested in creating an electric bicycle purchase incentive program in your area, please contact PeopleForBikes' Regulatory and Policy Analyst, Ashley Seaward at ashley@peopleforbikes.org for more information.